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TO: Mr. Jon N. Zoler

DATE: August 17, 1983

FROM: James Spector

SUBJECT: NEW BRAND NAME INTRODUCTIONS

This report reviews the success of new brand introductions over the past eight years, dealing only with new brand names and not line extensions.

Since 1976 there have been 15 new brands launched nationally (including Generics). The quarterly shares for these cigarettes are shown on the attachment. The key points from this table are listed below.

- Four of the 15 brands are no longer in distribution--Fact, Real, Decade, Arctic Lights.
- Excluding Players and Century, which were only recently introduced, only Merit, Generics, Barclay, and Now currently have shares above .5.

	S.O.M. 2nd Qtr. 1983
Merit	4.18
Generics	2.36
Barclay	.91
Now	.69
Bright	.36
Satin	.34
Triumph	.17
Cambridge	.12
Tall	.06
Fact	-
Real	-
Decade	-
Arctic Lights	-

- Only Merit and Generics were able to show steady growth during their introductory periods. However, Generics' growth was more a function of expanded distribution than brand momentum. Barclay's first year was heavily inflated by give-aways, but has recorded virtually no growth since then. Now also remained flat while all the other new entries declined following their introduction.

With the proliferation of new brands and their limited success, it will be even harder in the future to introduce a successful new brand name.

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Attachment

cc: B.S.G. Weinstein

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Source: https://www.industrydocuments.ucsf.edu/docs/kmnj0004